

CONFIDENTIAL

25X1

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

25X1

COUNTRY USSR

SUBJECT Possibility That USSR May Dump Cotton on
World Market in Order to Depress Prices

PLACE ACQUIRED

25X1

DATE ACQUIRED

25X1

DATE (OF INFO.)

25X1

REPORT NO. [REDACTED]

RESPONSIVE TO

1	2
CD NO.	
DD/C NO.	
ORR NO.	
DAS NO.	
OCI NO.	

DATE DISTR. / 2 Nov 1953

NO. OF PAGES 2

NO. OF ENCLS.

SUPP. TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE
OF THE UNITED STATES. WITHIN THE MEANING OF TITLE 18, SECTIONS 703
AND 704, OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OR REVE-
LATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS
PROHIBITED BY LAW. THE REPRODUCTION OF THIS REPORT IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

25X1

1. Welt-Ost Wirtschaftsdienst, a German publication, in its issue of 10 Oct 53 carried the following [Translation by source]:
2. "The Soviet Union after having offered the UK 15 thousand bales of cotton, is going to make additional offers to other countries purchasing cotton.
3. "The Soviet Union considers itself as one of the largest cotton producers of the world. According to their contention, the total production of cotton in the USSR is larger than the production of Egypt, India and Pakistan together. An export campaign of quality cotton will be started, originating from the production of the newly established State Domains and Kolkhozes at the mouth of the Amu-Darya and in the Caspian Plains. Total production increased from 2,500,000 tons in 1937 to over 3,740,000 tons in 1950 and 4,300,000 tons in 1953. In accordance with the plan, at the end of 1955 a total production of five million tons is envisaged.
4. "The cotton export organization 'EXPORTILJON' is expected to spring a surprise next year by exporting a large quantity of cotton with the objective of depressing the world market price."

5. [REDACTED] The figure of 4,300,000 tons means, of course, seed cotton. Supposing that 1/3 in lint cotton will result, this would mean approximately 6,500,000 bales. Total production of Egypt, India and Pakistan amounts to somewhat over six million bales. [REDACTED] the total requirement of the Soviet industry amounts to 4 to 4½ million bales annually, adding to this another million bales for the Satellites and considering that the Soviet Union has to

SEE LAST PAGE FOR SUBJECT & AREA COD

25X1

CONFIDENTIAL

25X1

DISTRIBUTION → STATE ARMY NAVY AIR FORCE FBI ORR EV

This report is for the use within the USA of the Intelligence components of the Departments or Agencies indicated above. It is not to be transmitted overseas without the concurrence of the originating office through the Assistant Director of the Office of Collection and Dissemination, CIA.

25X1

25X1

CONFIDENTIAL

25X1

25X1

- 2 -

import the short Indian and the quality Egyptian cotton because such qualities are not produced in the Soviet Union, EXPORTLJON would easily have 1 to 1½ million bales at their disposal for dumping. Needless to say that such an operation would not only hurt us but also small countries like Syria and Turkey which cannot afford to subsidize their cotton production as we can. In other words, the implication is that such a dumping transaction could possibly be quite effective political propaganda.

- end -

LIBRARY SUBJECT & AREA CODES

4/729.11	N
12/729.11	N(C&M)
12/729.11	22M(C&M)
5/729.11	N
8/729.11	N
792	N
751.223	N

25X1

CONFIDENTIAL